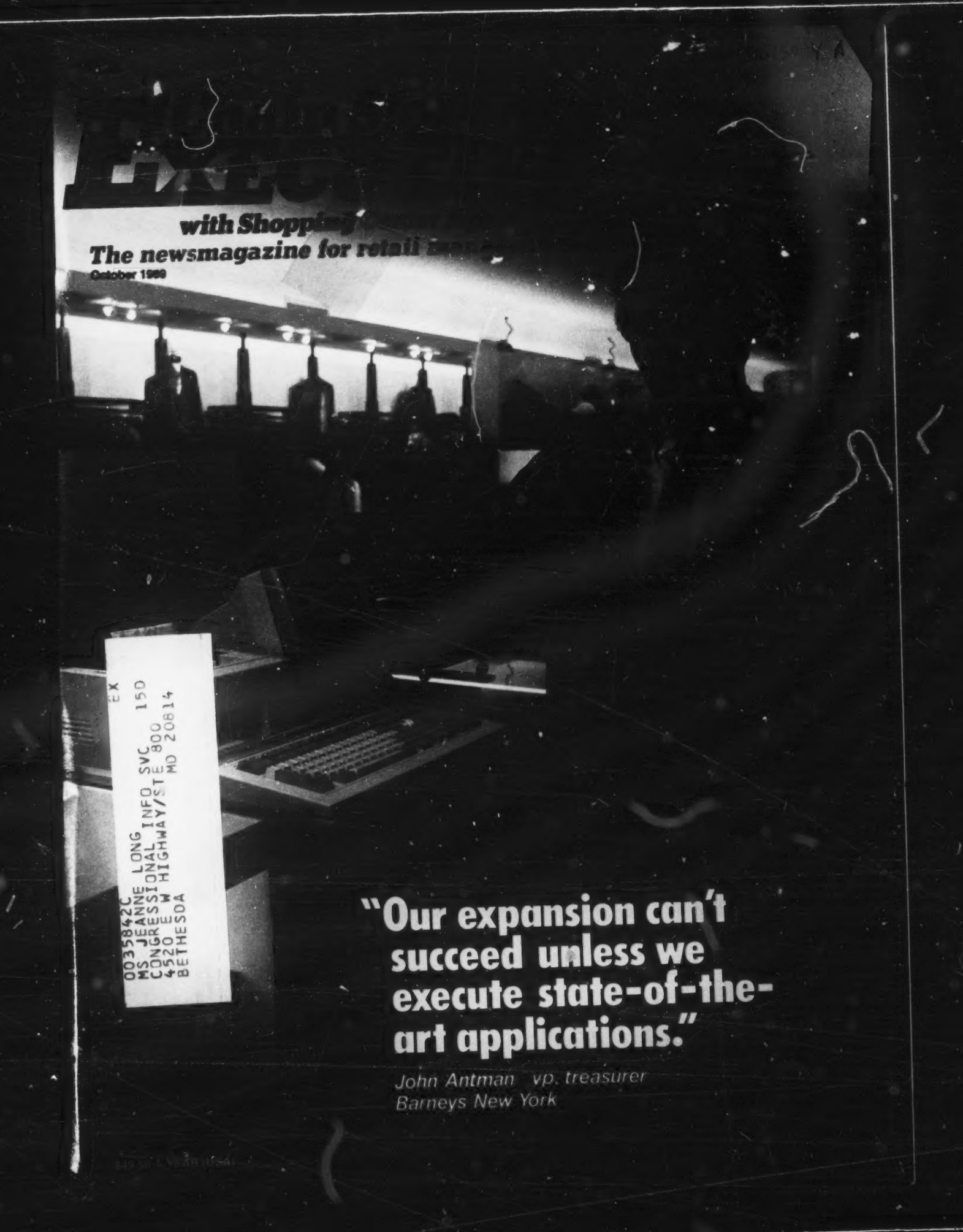
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The newsmagazine for retail
October 1988
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Barneys New York

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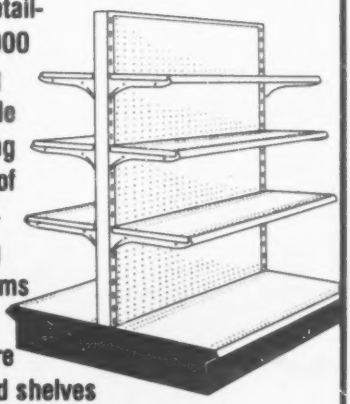

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LEBHAR-FRIEDMAN INC.
425 Park Ave., New York, NY 10022
212 371-9400
Subscription Services, ext. 379 or 419
Cable Address: LEBHAFRIED
Panafax: 212 838-9487

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The Audit Bureau MPA

Publisher of Chain Store Age Executive (with Shopping Center Age), *APPAREL merchandising*, Discount Store News, Nation's Restaurant News, National Home Center News, Drug Store News, Accounting Today. Affiliates: Business Guides Inc.; Lebhar-Friedman Books; Inside Retailing (Newsletter); Chain Store Age News, Japan; Largo Music Inc.

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Chain Store Age Executive (USPS 064-410; ISSN 0193-1199), is published monthly by Lebhar-Friedman Inc., 425 Park Ave., New York, NY 10022, on a controlled basis to qualified retailers, real estate and shopping center developers and operators, architects and design firms, and at $49.50 a year; outside U.S.A.: Canada $59.50 (U.S. $) a year; elsewhere $95 a year, air-mail only. Single copy price: $5. Second class postage paid at New York, NY, and additional mailing offices. Vol. 65, No. 10 Copyright © 1989 by Lebhar-Friedman Inc. All rights reserved. POSTMASTER: Please send address changes to Chain Store Age—Executive Edition, Subscription Department, 305 Madison Ave., Suite 535, New York, NY 10165-0079.

In total, Sprouse is served by some 400 vendors, primarily service merchandisers who act as distributors.

Prior to the implementation of EDI, stores were ordering merchandise direct from each vendor, Van Hove says. EDI was started with the participation of three vendors, and the proprietary format used closely matched those of other retailers.

Priorities for which vendors should be potential partners are determined by the company's merchandising department, he says, but initial contacts are made through the MIS department.

Sprouse, which this year celebrates its 80th anniversary in business, merchandises six basic product categories: home furnishings, toys, fabrics/domestics, social expression, housewares and apparel.

Stores vary in size from 5,000 to 18,000 sq. ft. This year the company changed its trade name from Sprouse-Reitz to Sprouse! as part of an effort to update its corporate image and modify its advertising strategy.

Each store carries approximately 40,000 sku's, of which 18,000 are basics, with the remainder seasonal and fashion. Sales last year were $216 million.

One hundred fifty employees occupy the home office, of which 40 are directly involved in MIS, Van Hove says. MIS became a department three years ago, and has been responsible for installing, in addition to EDI, a general ledger and accounts payable system and a point-of-sale system.

The company owns no warehouses, but uses three public warehouses for receiving some merchandise—particularly imports, which represent 7% of the stock carried. All other merchandise is drop-shipped to stores from vendors using UPS or common carrier. ■

MIS BOOMING, SAYS FMI STUDY

SUPERMARKETS INCREASE STAFFS AND BUDGETS

In the supermarket industry, the number of employees used to staff the management information systems (MIS) departments is continuing to rise steadily.

What's more, there's a steady stream of MIS employees moving out of headquarters and into retail stores and warehouses.

So says the latest MIS study released by the Food Marketing Institute, the Washington-based supermarket industry trade association.

In 1988, the survey finds, retailers and wholesalers had an average 92.4 employees involved in the MIS function. That's a whopping 62% rise over 1985's average of 57.1.

The biggest gains came in the area of additional support, including store and scanning support and telecommunications, which accounted for 16.4% of MIS employees in 1988, up from 10.7% in 1986.

The survey notes that these are the employees who most often work at the store or warehouse level.

At the same time, the proportion of people working in the operations area declined from 51.7% in 1986 to 42.5% last year.

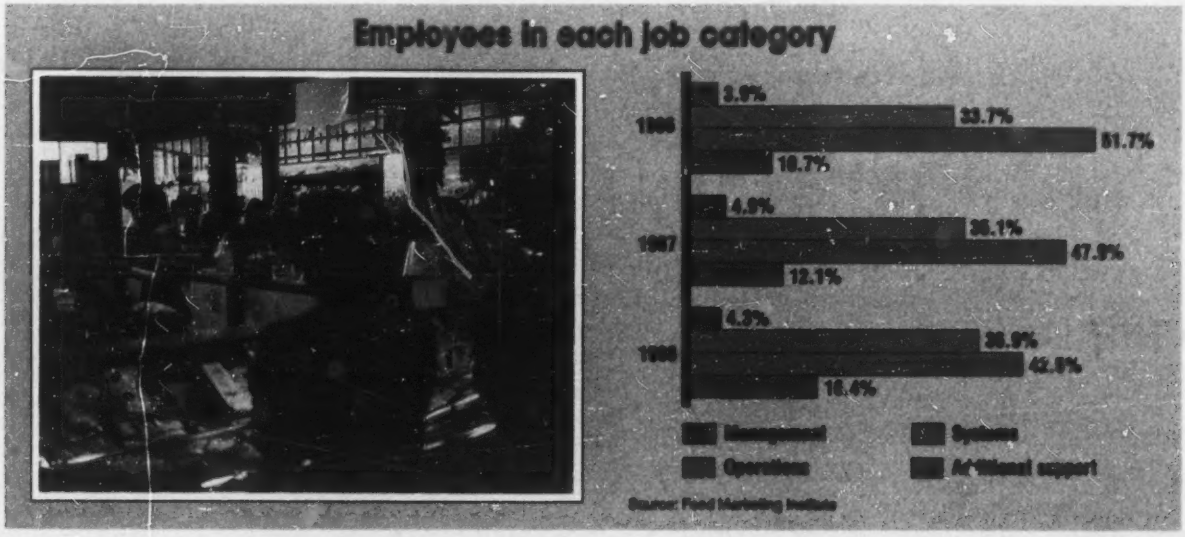
The percentage of management employees in the MIS department remained at the same steady level of between 4% and 5%, the level where it has been for the past four years.

Poll of vps: Survey findings were based on responses to questionnaires mailed to MIS vps of FMI member companies with annual sales of $50 million or greater. A total of 74 questionnaires were returned—54 from retailers and 20 from wholesalers.

According to the survey, the average amount allocated by companies to MIS department expenses was about $7.8 million in 1988. This represented 0.43% of net annual company sales, a figure similar to those reported during the last five years.

Within the MIS budget, the average company spent about $3.3 million in 1988 on the largest expense: employee wages, salaries and fringe benefits. As a proportion of the total budget, this has declined in the past few years, from 42.2% in 1985 to 36.1% in 1988, reflecting the increasing diversity of MIS functions.

More than 60% of respondents say that the MIS department at their company has budgetary responsibility for personal computers. The number represents a decline from figures reported in 1985 and 1986, indicating that PC functions are no longer the exclusive domain of the MIS department.



The survey finds that for the past five years, the time allocations set by MIS departments for the work they perform have remained relatively constant.

About 55% of a department's time is spent on new applications or major enhancements for existing systems. Between 7% and 14% is devoted to internal projects. Most of the remainder is involved in maintenance or problem solving.

More firms are moving into the advanced use stage of various technologies, according to the survey.

For example, 39.7% of 1988 respondents reported advanced use of personal computers with a mainframe connection, as compared to 13.3% in 1985. Similar trends are found for data bases, distributed processing in-store and ATMs.

Almost 36% of respondents say they are evaluating electronic shelf tags and 10% report limited or advanced use.

EDI, DSD, EFT data: Uniform communications standards for electronic data interchange with direct store delivery transactions are being evaluated by almost 47% of firms, and electronic funds transfer at the point of sale by 44.9%.

Almost 88% of the responding companies have retail automation, a slight increase from last year's 84.6%.

Popular uses of retail automation include scan interface, time and attendance, electronic mail and DSD. This year, 8.4% report using it for labor scheduling, up slightly from 1987.

The survey also finds that the communications staff reports to a single manager in 51.4% of the responding firms. In over 90% of those companies, that manager was in the information systems department.

The average company spent approximately $1 million on telecommunications in 1988: $620,000 for voice communications, $382,000 for data communications, and $21,000 in miscellaneous areas, according to the survey.

Over half the firms used key telephone systems in their stores. Only 30% used T1 transmission facilities.

About 50% of companies have a disaster recovery plan which they reviewed during the past 12 months, an increase of 15% over the past two years. Of those firms, 41% worked with a remote hot site which contains a system available for use at any time. ■

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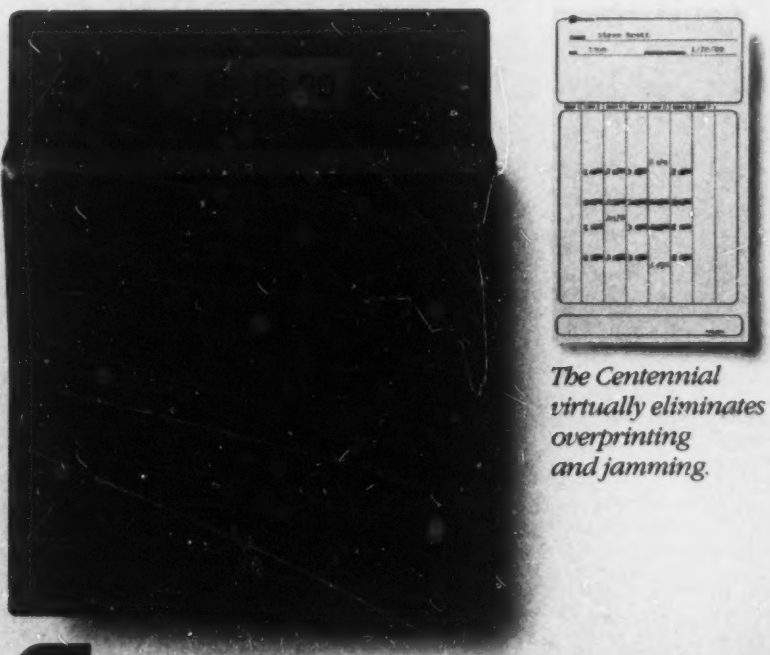

The Centennial virtually eliminates overprinting and jamming.

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SEARS PRICING STRATEGY STILL IN DOUBT

CONVINCING CONSUMERS IS A TOUGH SELL IN MANY MARKETS

Full page newspaper ads keep trumpeting the message that every day is a low price day at Sears, Roebuck & Co., but consumers have turned an almost deaf ear.

After an initial 9.6% boost in same store sales in March (the first month of its new every day low price strategy) Sears has seen its same store sales change erode in subsequent months.

The summer was particularly cruel. August produced the second consecutive month of lower sales on a comparable store basis.

While consumer response has not been uniform throughout the country, surveys conducted by Impact Resources of Columbus, Ohio, reveal that in many major markets Sears has failed to convince shoppers that it is indeed a price leader.

The market research firm queried shoppers on their attitudes about Sears in seven major markets. The study compared pre- and post-price change results.

What it discovered was that in some markets Sears actually suffered a decline in price as a motivator for store choice.

Moreover, compared to other every day low price-oriented retailers, Sears lags far behind in consumer perceptions as a price leader.

Surveys taken in May-June 1989 show that in Cleveland, Chicago and Buffalo more shoppers cited price as a reason for picking Sears than they did in comparable polls in August 1987-June 1988.

On the other hand, the percentage of shoppers who rated price as the main reason to shop Sears fell in Milwaukee, Kansas City and Denver. There was virtually no change in Minneapolis.

Three markets stand out for their overall changes to Sears. Buffalo residents, according to the market research firm's analysis of price, selection, location, quality and service, rated Sears higher in all five attributes.

Milwaukee and Denver shoppers, however, scored Sears lower across the board.

In Chicago, customers scored Sears higher on price and selection, but worse on location and quality. Hometowners rated service the same before and after the price changes.

SHIFTS IN MOTIVATION AMONG SEARS SHOPPERS

	Milwaukee				Buffalo			
	Sears ('88)	K mart	Shopko	Target	Sears ('88)	Ames	Hills	K mart
Price	46.4 (52.2)*	60.6	50.1	73.8	48.5 (42.3)	54.4	73.3	63.5
Selection	43.8 (47.0)	38.3	38.6	56.5	49.2 (43.7)	38.7	47.2	42.8
Location	32.8 (33.4)	39.6	29.1	44.8	35.3 (33.8)	55.8	49.6	44.9
Quality	35.8 (38.9)	20.8	14.7	33.9	41.9 (35.9)	17.8	28.2	23.7
Service	24.8 (28.4)	17.6	25.5	23.6	36.1 (26.5)	11.7	28.4	22.8
Mkt. rank	1	3	4	2	1	4	2	3

	Kansas City					Cleveland			
	Sears ('88)	K mart	Ward	Venture	Wal-Mart	Sears ('87)	Hills	K mart	Zayre
Price	45.2 (48.4)	62.2	48.1	65.3	65.5	47.3 (42.2)	69.3	66.0	78.8
Selection	45.9 (43.9)	33.7	36.4	39.0	43.4	47.7 (46.3)	45.6	39.9	36.4
Location	32.7 (37.4)	37.6	28.7	44.9	32.2	34.1 (34.6)	39.8	47.1	44.6
Quality	38.7 (41.8)	17.0	28.5	11.7	25.6	34.9 (38.8)	33.6	29.9	29.9
Service	28.5 (28.5)	16.0	23.1	8.3	23.2	26.0 (28.3)	26.1	15.3	27.6
Mkt. rank	1	4	3	5	2	1	3	2	4

	Denver						Minneapolis		
	Sears ('87)	K mart	Mervyns	Ward	Target	Wal-Mart	Sears ('87)	Ward	Target
Price	37.4 (44.3)	66.4	52.5	48.8	58.3	75.1	46.3 (46.8)	48.9	78.1
Selection	40.4 (43.0)	35.7	53.9	41.4	38.5	47.1	41.7 (34.5)	44.3	44.1
Location	33.2 (35.6)	40.2	39.0	39.2	41.0	37.6	31.3 (27.5)	41.2	44.1
Quality	38.1 (38.4)	10.1	35.2	25.2	21.5	36.3	35.1 (32.9)	31.3	23.8
Service	27.3 (29.2)	9.3	25.1	27.0	18.1	30.8	24.9 (22.0)	22.1	17.3
Mkt. rank	1	4	6	3	2	5	2	3	1

* To be read as: In May 1989 46.4% of Sears shoppers in Milwaukee cited price as a reason for store choice compared to 52.2% in 1987.
Market rank represents consumer preference of price-oriented stores.
Source: Impact Resources

SALES

	2nd qtr. ($000 omitted)	% change	YTD ($000 omitted)	% change
CATALOG STORE CHAINS				
J. C. Penney*	3,512,000	+ 5.1	6,920,000	+ 4.5
Sears, Roebuck & Co.*	7,706,400	+ 7.0	14,461,600	+ 9.3
Composite	11,218,400	+ 6.4	21,381,600	+ 7.7
DEPARTMENT STORES				
Dillard	629,283	+ 13.8	1,227,298	+ 14.7
Gottschalks	48,818	+ 13.3	91,378	+ 17.4
Jacobson's	85,850	+ 15.7	172,273	+ 13.4
May†	2,048,000	+ 8.3	4,088,000	+ 12.2
Mercantile	505,011	+ 3.0	983,574	+ 3.0
Nordstrom	729,000	+ 13.1	1,241,248	+ 15.3
Strawbridge & Clothier	202,171	+ 4.8	392,701	+ 4.5
Composite	4,230,342	+ 9.2	8,196,442	+ 11.5
DISCOUNT STORES				
Ames	1,219,042	+121.3	2,327,548	+122.8
Consolidated	133,036	– 2.3	264,639	+ 0.4
Dayton Hudson	3,097,000	+ 15.6	5,923,000	+ 13.1
Fred Meyer	487,668	+ 3.2	1,187,744	+ 6.7
Hills*	430,983	+ 28.4	828,933	+ 26.7
Jamesway	201,100	+ 11.2	383,026	+ 10.6
K mart	7,006,100	+ 4.8	13,074,300	+ 4.4
Pic 'N' Save	101,772	+ 22.8	195,878	+ 24.9
Rose's	347,291	+ 0.1	674,761	+ 3.0
Wal-Mart	6,646,413	+ 24.8	11,419,673	+ 25.1
Composite	19,670,417	+ 16.8	36,179,514	+ 16.6
SHOE/SPECIALTY CHAINS				
Brown Group†	427,972	+ 9.0	864,523	+ 9.6
Edison Bros.	228,200	+ 50.4	442,962	+ 19.6
Genesco	119,563	+ 4.3	224,523	+ 3.7
Melville	1,675,270	+ 34.4	3,294,367	+ 11.9
U.S. Shoe	591,947	+ 8.6	1,162,866	+ 8.5
F.W. Woolworth	1,963,000	+ 7.4	3,866,000	+ 8.2
Composite	5,025,952	+ 11.2	9,759,179	+ 9.9
APPAREL CHAINS				
Charming Shoppes	201,027	+ 12.6	373,375	+ 13.6
Deb Shops	47,122	+ 4.1	88,662	+ 4.2
Designs	15,076	+ 47.1	27,241	+ 35.8
Gantos	53,916	+ 45.1	105,956	+ 45.8
The Gap	325,930	+ 23.3	635,864	+ 25.7
Paul Harris	54,736	+ 29.1	101,674	+ 28.3
The Limited	998,284	+ 10.9	1,954,981	+ 14.7
Merry-Go-Round	90,329	+ 52.7	164,239	+ 46.3
Petrie*	293,692	+ 3.8	572,829	+ 4.9
Composite	2,072,112	+ 14.2	4,024,741	+ 16.5
OFF-PRICE APPAREL				
Banker's Note	9,340	+ 0.1	19,123	– 2.8
Clothestime*	52,053	+ 20.8	93,248	+ 14.9
Ross	173,895	+ 19.9	327,881	+ 19.1
S&K	13,294	+ 17.2	25,706	+ 13.5
Syms	77,419	+ 8.2	137,886	+ 6.2
TJX†	509,267	+ 15.8	965,639	+ 16.2
Composite	826,258	+ 15.5	1,570,395	+ 15.5
WAREHOUSE WHOLESALE CLUBS				
Bizmart[1]*	19,687	+1316.3	19,687	+1316.3
Costco[2]*	858,116	+ 46.1	1,934,184	+ 43.8
HQ Office Supply Warehouse	5,899	N/A	7,619	N/A
Office Club	31,382	+294.6	68,365	+238.7
Office Depot*	63,816	+154.9	127,328	+172.1
Pace Membership*	346,196	+ 28.2	884,815	+ 30.9
Price[3]	1,000,000	+ 15.3	3,000,000	+ 28.2
Staples[1]*	37,005	+ 99.8	37,005	+ 99.8
Walton	526,677	+ 29.5	999,840	+ 29.3
Warehouse Club[3]	84,942	+ 3.6	294,988	+ 8.4
Wholesale Club	134,500	+ 45.8	241,988	+ 42.3
Composite	2,977,370	+ 38.1	7,972,980	+ 38.1

EARNINGS

	2nd qtr. ($000 omitted)	% change	YTD ($000 omitted)	% change
CATALOG STORE CHAINS				
J. C. Penney*	98,000	+ 21.0	246,000	+ 23.6
Sears, Roebuck & Co.*	161,000	+ 2.5	195,400	+ 10.8
Composite	259,000	+ 8.8	441,400	+ 17.6
DEPARTMENT STORES				
Dillard	18,752	+ 26.9	38,334	+ 24.5
Gottschalks	(1,383)	N/A	(70)	N/A
Jacobson's	(632)	N/A	1,445	+ 26.8
May†	71,000	+ 26.8	135,000	+ 14.4
Mercantile	18,546	– 12.2	43,577	– 6.5
Nordstrom	38,548	+ 5.1	61,519	+ 10.1
Strawbridge & Clothier	1,735	+184.8	3,294	+ 21.5
Composite	144,564	+ 14.5	283,999	+ 10.6
DISCOUNT STORES				
Ames	(8,400)	N/A	(20,736)	N/A
Consolidated	24	– 99.2	(1,003)	N/A
Dayton Hudson	56,000	+100.8	96,000	+ 62.7
Fred Meyer	7,442	– 30.8	13,178	– 19.3
Hills*	(10,213)	N/A	(26,603)	N/A
Jamesway	931	– 43.4	(208)	N/A
K mart	145,000	– 18.9	239,100	– 15.7
Pic 'N' Save	6,403	– 21.8	11,818	– 22.4
Rose's	(3,024)	N/A	1,683	– 72.8
Wal-Mart	219,048	+ 22.0	417,337	+ 25.3
Composite	413,211	+ 4.7	730,426	+ 1.9
SHOE/SPECIALTY CHAINS				
Brown Group†	6,418	+ 16.5	10,735	– 34.1
Edison Bros.	8,600	+437.5	14,500	+500.5
Genesco	5,647	+ 57.1	5,473	+316.2
Melville	61,626	+ 2.0	85,856	+ 3.4
U.S. Shoe	5,921	N/A	13,614	N/A
F.W. Woolworth	48,000	+ 11.6	84,000	+ 7.7
Composite	136,212	+ 23.8	214,176	+ 28.8
APPAREL CHAINS				
Charming Shoppes	11,753	+ 29.6	18,648	+ 49.1
Deb Shops	5,006	+136.4	5,878	+ 98.8
Designs	(866)	N/A	(1,906)	N/A
Gantos	541	+583.6	1,406	+389.9
The Gap	14,136	+ 26.1	29,191	+ 88.9
Paul Harris	143	N/A	(491)	N/A
The Limited	63,781	+187.7	108,979	+ 99.7
Merry-Go-Round	1,549	+297.2	3,215	+288.6
Petrie*	3,512	– 2.8	10,547	+ 4.0
Composite	99,557	+ 79.3	175,378	+ 94.5
OFF-PRICE APPAREL				
Banker's Note	199	– 46.8	284	– 47.7
Clothestime*	2,326	+7483.2	2,406	N/A
Ross	7,121	+ 15.7	10,525	+ 65.4
S&K	448	+ 8.2	836	+ 7.5
Syms	4,234	– 6.8	6,624	– 5.7
TJX†	12,859	+ 46.8	32,012	+ 49.9
Composite	27,988	+ 34.5	52,889	+ 52.2
WAREHOUSE WHOLESALE CLUBS				
Bizmart[1]*	(1,198)	N/A	(1,198)	N/A
Costco[2]*	4,618	+ 94.2	17,163	+ 72.4
HQ Office Supply Warehouse	(2,870)	N/A	(4,811)	N/A
Office Club	(631)	N/A	(832)	N/A
Office Depot*	1,148	N/A	2,884	+492.5
Pace Membership*	1,933	+ 43.8	2,966	+ 72.5
Price[3]	21,000	+ 13.5	86,000	+ 21.1
Staples[1]*	48	N/A	48	N/A
Walton	8,799	+ 52.4	15,388	+ 61.5
Warehouse Club[3]	15,000	N/A	561	N/A
Wholesale Club	1,262	+ 82.4	1,842	+ 4.4
Composite	48,788	+111.1	118,221	+ 38.8

N/A Not applicable because of loss in either current or comparable period
* Before extraordinary items or changes in accounting principles
† Continuing operations only
First quarter figures
[3] Third quarter figures
[4] Fourth quarter figures
Source: Company reports

SALES

	2nd qtr. ($000 omitted)	% change	YTD ($000 omitted)	% change
HARD LINES CHAINS				
Best Buy[1]	187,160	– 4.1	187,160	– 4.1
Blockbuster Ent.	74,133	+111.4	138,783	+145.4
Circuit City[1]	487,997	+ 24.5	487,997	+ 24.5
Claire's	36,808	+ 59.4	72,325	+ 55.9
Fabri-Centers	67,329	+ 17.4	141,458	+ 16.5
Fretters*	52,800	– 7.2	16,1390	– 4.3
Good Guys	41,924	+ 19.4	142,963	+ 28.3
Hello-Meyers[1]	99,199	+ 8.1	99,199	+ 8.1
Highland Superstores	198,461	– 4.6	395,818	– 1.4
House of Fabrics	81,331	+ 13.9	160,799	+ 9.4
Lechters	39,736	+ 34.6	57,887	+ 32.8
Lionel	67,488	+ 4.9	128,739	+ 16.5
Oshman's*	89,139	+ 7.8	148,494	+ 7.2
Pep Boys-M,M,J*	196,700	+ 18.5	378,827	+ 20.0
Pier 1 Imports[1]	113,938	+ 17.3	113,938	+ 17.3
Tandy*	897,484	+ 10.3	4,180,783	+ 10.2
Toys 'R' Us	775,499	+ 12.9	1,543,188	+ 15.7
Williams-Sonoma	41,261	+ 27.1	83,323	+ 24.1
Composite	3,374,383	+ 13.2	8,382,938	+ 13.3
SUPERMARKETS				
A&P[1]	3,439,981	+ 14.5	3,439,981	+ 14.5
Albertsons	1,825,784	+ 16.8	3,636,946	+ 13.2
American	5,376,848	+ 18.2	10,592,014	+ 36.9
Bruno's[4*]	515,884	– 1.9	2,134,083	+ 7.7
Delchamps	228,682	– 2.2	899,532	+ 4.2
Foodarama	132,562	+ 11.3	293,727	+ 8.6
Food Lion	1,899,483	+ 23.3	2,899,288	+ 28.2
Giant Food	732,826	+ 8.4	1,457,385	+ 9.2
Hannaford Bros.*	373,123	+ 22.9	721,181	+ 24.6
Ingles Markets[3]	226,566	+ 13.3	656,849	+ 13.8
Kroger*	4,425,895	– 1.7	8,916,672	+ 1.1
Marsh[1]	228,883	+ 9.7	228,883	+ 9.7
Penn Traffic	799,469	+312.8	1,218,263	+283.5
Quality Food Centers	76,541	+ 51.6	135,661	+ 36.9
Safeway	3,271,264	+ 4.4	6,497,961	+ 6.2
Smith's Food & Drug	421,845	+ 26.7	821,985	+ 23.8
Vons*	1,196,860	+ 62.9	2,376,299	+ 57.9
Winn-Dixie[4*]	2,153,948	– 2.4	9,161,145	+ 1.6
Composite	26,399,219	+ 12.2	55,217,246	+ 14.3
DRUG STORES				
Drug Emporium[1]	113,944	+ 19.9	113,944	+ 19.9
Fay's	487,868	+ 3.2	1,107,744	+ 6.7
Genovese	91,121	+ 14.9	284,471	+ 14.6
Longs	583,365	+ 8.3	996,188	+ 8.9
Perry[3]†	163,888	– 0.8	987,453	+ 1.7
Rite-Aid[1]	754,588	+ 19.9	754,588	+ 19.1
Walgreen[3]	1,359,788	+ 11.1	4,630,864	+ 9.7
Composite	3,465,274	+ 9.3	7,723,444	+ 9.8
HOME CENTERS				
Grossman	343,999	+ 4.2	583,888	+ 5.4
Hechinger*	336,867	+ 18.6	611,737	+ 17.9
Home Depot	784,825	+ 35.2	1,345,545	+ 33.5
Lowe's	746,196	+ 5.9	1,348,328	+ 4.1
Wickes Lumber	79,962	+ 4.4	128,852	+ 9.4
Composite	2,218,849	+ 15.5	3,097,463	+ 16.4
SHOPPING CENTER DEVELOPERS				
Federal Realty	29,199	+ 18.5	49,759	+ 20.6
Rouse	116,934	+ 8.5	236,845	+ 3.6
Weingarten	18,968	+ 8.3	33,486	+ 9.3
Composite	163,934	+ 9.7	384,238	+ 5.2

EARNINGS

	2nd qtr. ($000 omitted)	% change	YTD ($000 omitted)	% change
HARD LINES CHAINS				
Best Buy[1]	(1,247)	N/A	(1,247)	NA
Blockbuster Ent.	6,919	+187.7	14,515	+140.2
Circuit City[1]	18,735	+ 19.9	18,735	+ 19.9
Claire's	2,393	N/A	4,309	N/A
Fabri-Centers	(1,251)	N/A	(727)	N/A
Fretters*	1,714	+ 5.5	864	+ 13.4
Good Guys	311	– 49.3	3,964	+ 5.0
Hello-Meyers[1]	5,974	+ 1.4	5,974	+ 1.4
Highland Superstores	(2,966)	N/A	(11,184)	NA
House of Fabrics	(119)	N/A	1,228	– 59.3
Lechters	284	– 18.4	356	– 28.5
Lionel	(3,492)	N/A	(7,868)	N/A
Oshman's*	(167)	N/A	(1,984)	N/A
Pep Boys-M,M,J*	10,821	+ 17.5	17,647	+ 4.3
Pier 1 Imports[1]	6,723	+ 25.0	6,723	+ 25.0
Tandy*	56,865	– 0.6	323,584	+ 2.3
Toys 'R' Us	23,842	+ 3.1	58,631	+ 11.0
Williams-Sonoma	85	N/A	353	N/A
Composite	117,924	+ 3.2	417,935	+ 5.5
SUPERMARKETS				
A&P[1]	45,309	+ 19.3	45,309	+ 19.3
Albertsons	45,825	+ 23.1	90,818	+ 24.1
American	24,648	– 18.6	46,155	– 19.5
Bruno's[4*]	11,838	+ 7.7	47,869	+ 11.8
Delchamps	5,654	+ 52.2	12,148	+ 23.9
Foodarama	588	– 6.3	836	– 58.4
Food Lion	31,972	+ 15.7	68,692	+ 22.5
Giant Food	22,187	+ 9.3	46,712	+ 19.4
Hannaford Bros.*	10,714	+ 51.6	19,299	+ 37.0
Ingles Markets[3]	4,289	+ 8.4	10,311	+ 2.9
Kroger*	1,414	– 97.7	(17,588)	NA
Marsh[1]	2,649	+ 58.3	2,649	+ 58.3
Penn Traffic	(2,886)	N/A	(15,284)	N/A
Quality Food Centers	3,397	+111.7	5,289	+ 98.7
Safeway	7,672	– 81.3	16,443	– 28.5
Smith's Food & Drug	5,955	+ 36.8	11,633	+ 37.3
Vons*	(8,800)	N/A	(22,290)	N/A
Winn-Dixie[4*]	42,326	– 5.7	122,645	+ 5.1
Composite	254,526	– 24.9	484,767	+ 17.8
DRUG STORES				
Drug Emporium[1]	1,758	+ 32.8	1,758	+ 32.8
Fay's	7,442	– 30.8	13,178	– 19.3
Genovese	397	– 65.2	1,516	– 33.8
Longs	15,248	+ 8.8	29,698	+ 8.8
Perry[3]†	848	N/A	5,777	N/A
Rite-Aid[1]	24,388	+ 3.1	24,388	+ 3.1
Walgreen[3]	38,382	+ 25.8	129,529	+ 24.1
Composite	88,564	+ 11.1	198,897	+ 26.3
HOME CENTERS				
Grossman	19,899	– 9.4	3,298	+ 23.1
Hechinger*	9,797	– 34.9	17,196	– 28.4
Home Depot	39,891	+ 43.2	66,729	+ 39.2
Lowe's	29,928	+ 13.2	44,514	+ 7.2
Wickes Lumber	4,853	+ 5.8	4,997	+ 5.8
Composite	86,179	+ 8.8	126,490	+ 11.5
SHOPPING CENTER DEVELOPERS				
Federal Realty	7,798	+546.1	9,153	+167.2
Rouse	4,183	+ 12.9	5,341	– 34.5
Weingarten	3,252	– 8.4	7,562	– 43.4
Composite	15,115	+ 79.6	22,946	– 22.7

N/A Not applicable because of loss in either current or comparable period
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FINANCE

APPAREL SALES BOOST SPECIALTY STORES

Driven by continued strength in apparel, substantial sales gains were posted by specialty retailers in August. However, for general merchandisers, increases in apparel and back-to-school were offset by weak sales of durables.

At Sears, the nation's largest retailer, the newly-implemented everyday-low-price policy continued to produce shaky results. The company posted a 1.1% decline in comparable store results.

A spokesman for the Chicago-based chain said slow sales of durable goods—including furniture, home improvement products, hardware and automotives—offset gains in apparel, home appliances and home electronics.

K mart, the nation's second largest retailer, also had a disappointing August, with sales up 4.8% and comparable-store results up 1.5%.

Same-store totals rose only 0.8% at Montgomery Ward. A company spokesman blamed cool weather for sluggish sales of seasonal merchandise such as air conditioners.

Meanwhile, Wal-Mart, which has consistently outperformed competitors, showed strength again with an overall gain of 26%.

J. C. Penney said "record" sales of children's merchandise and young women's and men's clothing helped boost same-store totals by 15.7%.

The Gap maintained its rebound with a 25.3% increase for the month and a 15% gain in comparable store sales. The Limited posted a 10.8% gain for the month in stores open at least a year.

Some analysts cautioned that several of the strong reports looked stronger than they actually were because of weak results a year ago, when the fashion industry was just beginning to emerge from a summer drought.

Company	August '89 sales ($000)	% change	% change comp. stores	YTD sales ($000)	% change YTD	% change YTD comp. stores
Sears	$2,504,978	+ 2.3	- 1.1	$16,216,523	+ 6.1	+ 3.6
K mart	2,056,570	+ 4.8	+ 1.5	15,135,346	+ 4.4	+ 0.9
Wal-Mart	2,122,000	+ 26.9	+11.0	13,542,000	+ 26.3	+11.0
Penney	1,272,000	+ 18.6	+16.3	8,081,000	+ 7.7	+ 5.8
Dayton Hudson	1,040,000	+ 12.7	+ 5.1	6,860,000	+ 13.3	+ 5.7
May	897,300	+ 6.8	+ 6.8	4,716,000	+ 16.6	+ 6.6
Melville	884,000	+ 14.3	NR	4,306,000	+ 11.7	NR
Woolworth	488,000	+ 12.3	+ 7.8	2,713,000	+ 9.0	+ 4.3
Carter Hawley Hale	194,000	+ 1.8	+ 1.3	1,414,880	+ 8.2	+ 8.3
Nordstrom	466,300	+ 12.0	+10.3	3,540,219	+ 10.9	NR
Ames	373,000	+191.7	+ 0.9	2,700,000	+133.9	+ 2.1
Kmart	360,480	+ 1.0	+ 0.8	2,524,348	+ 5.1	+ 4.8
The Limited	359,400	+ 10.8	+10.8	2,314,000	+ 14.0	+13.0
Marmaxx	173,500	+ 4.9	+ 3.7	1,157,197	+ 3.3	+ 2.3
Nike	164,467	+ 28.8	+ 4.9	1,013,152	+ 27.3	+ 3.2
The Gap	119,000	+ 25.3	+15.0	766,000	+ 25.0	+14.0
Circuit City	102,500	+ 20.0	+ 2.0	NR	NR	NR
Edison Brothers Group	112,700	+ 24.1	+16.4	NR	NR	NR
Ross's	108,622	+ 1.8	- 3.5	813,403	+ 2.7	- 2.7
Jamesway	82,582	+ 12.2	+ 8.0	425,006	+ 10.8	+ 5.0
Kids Mart	67,000	+ 17.5	+12.0	366,000	+ 16.8	+11.0
Dollar General	48,620	- 2.9	- 3.9	319,800	+ 1.7	+ 1.7
Bed Bay	40,000	- 3.0	- 8.0	187,000	NR	NR
Consolidated	16,085	+ 13.6	+ 4.8	107,464	+ 16.8	+ 8.3
Claire's	14,040	+ 24.0	+20.0	88,360	+ 22.0	+ 22.0

NR = not reported

Source: Company reports